TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

18 September 2019

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1   REVENUES AND BENEFITS UPDATE REPORT

A report detailing recent developments in respect of council tax, business rates, council tax reduction and housing benefits.

1.1   Collection of council tax and business rates

1.1.1   As at 31 August 2019, the collection rate for council tax stood at 45.95%. For the same period in the year 2018/19, the collection rate was 45.94%.

1.1.2   As at 31 August 2019, the collection rate for business rates stood at 48.29%. For the same period in the year 2018/19, the collection rate was 48.62%.

1.1.3   For the current financial year, our working age claimants have paid approximately 34.8%, compared to 37.5% for the same period in the previous financial year. We are continuing to monitor this closely as collection rates can fluctuate throughout the year.

1.1.4   The number of recovery notices issued this financial year is higher than last year (see ANNEX 1). These figures also fluctuate during the course of the year, so I will continue to monitor the situation and report any significant changes at the next meeting of this Board.

1.2   Performance and Workload of the Benefits Service

1.2.1   The average number of days to process new claims for housing benefit and council tax reduction for the year to 1 September was 12.4. It took on average 3.2 days to process changes to existing claims. Our performance is on a par with that of last year.

1.2.2   The overall number of households assisted with council tax reduction remains stable, again keeping to the trend of a slight fall in pension age households and equivalent rise in working age. 'Pensioners' now represent 40% of the total caseload.

1.2.3 The number of households helped by housing benefit continues to fall following the introduction of Universal Credit (UC) full service in November 2018. Whereas last September 6228 households in the Borough received housing benefit, a year later that number is 5346. Certain changes in circumstances can trigger the transition from housing benefit to UC, accounting for the much of the decrease in numbers. Over the same period the Council has witnessed a significant rise in households placed into temporary accommodation through homelessness. We are investigating whether there is any direct correlation between the two sets of figures.

1.2.4 At some point prior to 2024 the remaining housing benefit working age caseload will be transferred in bulk to UC. We have yet to learn when the migration will take place. In the meantime, we are remodelling our Council Tax Reduction Scheme to meet the new demands of the increased number of households receiving UC.

1.2.5 Our Discretionary Housing Payment (DHP) fund has a balance remaining of £130,000 as at 1 September. The total fund for the year is £208,000. So far, DHP has been used for 70 households to directly prevent evictions or facilitate moves to affordable homes. A further 32 households have been assisted with top-up payments to provide short term financial help.

1.3 Legal Implications

1.3.1 Nil.

1.4 Financial and Value for Money Considerations

1.4.1 The percentage of council tax and business rates collected during the year impacts on the Council's finances and, consequently, on the level of council tax for future years.

1.5 Risk Assessment

1.5.1 Nil.

1.6 Equality Impact Assessment

1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users at this point.

1.7 Policy Considerations

1.7.1 Community

1.7.2 Customer Contact

Background papers:

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1. In respect of the collection of council tax and business rates, data held within Financial Services.

Sharon Shelton
Director of Finance and Transformation